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**CITY OF ALLENTOWN  
PROGRAM BUDGET**

**081 RISK MANAGEMENT**  
**02 FINANCE**  
**8001 RISK MANAGEMENT**  
**0001 PROPERTY & CASUALTY**

<b>Account Number</b>	<b>2021 Budget</b>	<b>2021 Adj. Budget</b>	<b>2021 A&amp;E</b>	<b>2022 Prop. Budget</b>
0001-02 PERMANENT WAGES	215,163	215,163	215,163	196,144
0001-04 TEMPORARY WAGES	5,800	5,800	5,000	3,500
<b>Line Item Detail</b>				
1 Risk and Safety Intern Program				3,500.00
		Line Items Total		3,500.00
0001-06 PREMIUM PAY	1,425	1,425	0	0
0001-08 LONGEVITY	128	628	500	662
0001-11 SHIFT DIFFERENTIAL	250	250	0	0
0001-12 FICA	17,042	17,042	17,042	15,323
<b>Line Item Detail</b>				
1 FICA				15,323.41
		Line Items Total		15,323.41
0001-14 PENSION	26,822	26,822	26,822	25,893
<b>Line Item Detail</b>				
1 Pension				25,893.00
		Line Items Total		25,893.00
0001-15 Employee - Health Insurance Opt Out	1,508	1,508	1,500	1,508
0001-16 INSURANCE - EMPLOYEE GRP	89,817	89,817	89,817	76,338
<b>Line Item Detail</b>				
1 INS				76,338.00
		Line Items Total		76,338.00
0001-26 PRINTING	500	500	500	500
<b>Line Item Detail</b>				
1 Managed Print Service - per IT				500.00
		Line Items Total		500.00
0001-28 MILEAGE REIMBURSEMENT	500	500	0	0
0001-30 RENTALS	1,200	1,200	1,100	1,500
<b>Line Item Detail</b>				
1 Safety Day Location				1,500.00
		Line Items Total		1,500.00
0001-32 PUBLICATIONS & MEMBERSHIP	1,000	1,000	805	1,000

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<b>Line Item Detail</b>				
1 Public Risk Management Association (PRIMA) Membership - Risk Manager & Claims Coordinator				750.00
2 International Association of Emergency Managers (IAEM) Membership - Emergency Management Coordinator				250.00
		Line Items Total		1,000.00
0001-34 TRAINING & PROF. DEVELOP	5,500	5,000	1,000	9,000
<b>Line Item Detail</b>				
1 Authorized Training and Conference Attendance				6,000.00
2 Planned travel for training				2,500.00
3 Mileage While Attending Training				500.00
		Line Items Total		9,000.00
0001-36 INS - PROPERTY & CASUALTY	540,000	735,000	735,000	863,000
<b>Line Item Detail</b>				
1 Law Enforcement Liability (QBE)				282,500.00
2 Commercial Property Insurance (CNA)				118,100.00
3 Public Officials/EPL Liability (Greenwich)				117,300.00
4 Sexual Abuse/Child Molestation				85,000.00
5 Auto Physical Damage Policy (Seneca)				72,000.00
6 Cyber Attack Insurance (Chubb)				57,000.00
7 Marine Inland (Nationwide)				56,200.00
8 Excess Cyber Liability (Indian Harbor)				50,000.00
9 Government Crime Policy-Bond (Travelers)				18,000.00
10 Controller Public Officials Bond (Travelers)				2,300.00
11 Director of Finance Public Officials Bond (Travelers)				2,300.00
12 Treasury Manager Public Officials Bond (Travelers)				2,300.00
		Line Items Total		863,000.00
0001-42 REPAIRS & MAINTENANCE	0	15,000	15,000	0
0001-44 LEGAL SERVICES	1,000,000	800,000	750,000	700,000
<b>Line Item Detail</b>				
1 Professional Service Fees Attorney Fees for Police Liability				300,000.00
2 Professional Service Fees Attorney Fees General Liability				300,000.00

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<b>Line Item Detail</b>				
3 Professional Service Fees Attorney Fees for Workers Comp				100,000.00
		Line Items Total		700,000.00
0001-46 OTHER CONTRACT SERVICES	171,150	168,022	150,000	327,500
<b>Line Item Detail</b>				
1 Remote Employee Safety Device				100,000.00
2 Active Shooter Employee and Trainer Presentation				70,000.00
3 TPA - Automobile Liability				50,000.00
4 Risk Management Online Incident Reporting Software				35,000.00
5 Insurance Broker (EHD)				27,500.00
6 Hazmat Clean Up for City Property				10,000.00
7 IH Testing Program				10,000.00
8 Exposure Control Management				10,000.00
9 Auto Body Services				10,000.00
10 City Hall Safety Mat Servicing				5,000.00
		Line Items Total		327,500.00
0001-50 OTHER SERVICES & CHARGES	21,000	21,000	21,000	15,000
<b>Line Item Detail</b>				
1 Random Drug Testing -- DOT Compliance				15,000.00
		Line Items Total		15,000.00
0001-54 REPAIR & MAINT SUPPLIES	0	0	0	500
<b>Line Item Detail</b>				
1 Repair & Maintenance Risk Property				500.00
		Line Items Total		500.00
0001-56 UNIFORMS	2,000	2,000	0	7,000
<b>Line Item Detail</b>				
1 APD Over Carriers/Load Bearing Vests				5,000.00
2 Uniform and Safety Items				2,000.00
		Line Items Total		7,000.00
0001-58 OFFICE SUPPLIES	500	500	0	0

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0001-68 OPERATING MATERIALS & SUPP	41,000	62,103	62,103	56,500
<b>Line Item Detail</b>				
1 Ongoing COVID Response Supplies				25,000.00
2 Safety Equipment				15,000.00
3 Safety Day				8,000.00
4 Training Materials				5,000.00
5 First Aid Kit Refills				3,000.00
6 Office Supplies for EMC and Risk				500.00
		Line Items Total		56,500.00
0001-72 EQUIPMENT	6,500	18,300	13,500	15,000
<b>Line Item Detail</b>				
1 Safety and Risk Equipment				15,000.00
		Line Items Total		15,000.00
0001-80 SELF-INSURED LOSSES	150,000	227,816	227,816	200,000
<b>Line Item Detail</b>				
1 Internal Property Losses Due to Third Party				200,000.00
		Line Items Total		200,000.00
0001-81 PROPERTY LOSSES	150,000	168,004	168,004	150,000
<b>Line Item Detail</b>				
1 Internal Property Losses Due to Internal Liabilities or Natural Causes				150,000.00
		Line Items Total		150,000.00
0001-85 AUTO LOSSES	300,000	300,567	300,567	300,000
<b>Line Item Detail</b>				
1 Motorized Equipment Repair (Internal)				300,000.00
		Line Items Total		300,000.00
0001-86 GENERAL CITY CHARGES	63,911	63,911	63,911	67,107
<b>Line Item Detail</b>				
1 General City Charges				67,107.00
		Line Items Total		67,107.00
0001-87 PROFESSIONAL LOSSES	1,000,000	995,200	750,000	1,600,000
<b>Line Item Detail</b>				

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081 RISK MANAGEMENT  
02 FINANCE  
8001 RISK MANAGEMENT  
0001 PROPERTY & CASUALTY

<i>Account Number</i>	<i>2021 Budget</i>	<i>2021 Adj. Budget</i>	<i>2021 A&amp;E</i>	<i>2022 Prop. Budget</i>
<i>Line Item Detail</i>				
1 Lawsuit Settlements without Excess Insurance Coverage				1,600,000.00
		Line Items Total		1,600,000.00
<b>Total</b> PROPERTY & CASUALTY	<b>3,812,716</b>	<b>3,944,078</b>	<b>3,616,150</b>	<b>4,632,975</b>

## PROGRAM DETAIL

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<b>Bureau:</b> Risk Management	<b>No:</b> 081-02-8001	<b>Department:</b> Finance	<b>Program:</b> Property & Casualty	<b>Program No:</b> 0001
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### Program Description:

Risk Management aspires to be a cost-effective, efficient, impactful, and transparent operation within the Directorate of Finance. We will serve the employees and citizens of Allentown and affiliated entities as a highly valued strategic partner and resource, providing innovation, high quality service, and cost-efficient tools for appropriately balancing risk and opportunity. We identify and evaluate risk and develop efficient ways to manage, minimize, and finance those risks. Risk Management works to reduce the financial impact of claims, lawsuits, and employee injuries to the City; reduce the corresponding frequency and severity of these events through the application of professional risk management techniques; and provide a safe work environment for employees and the public.

This program manages liability claims related to the internal and external damages to City property and those filed by third parties alleging bodily injury, property damage, or other losses due to City negligence. The city has self insured this risk program since July 1979. This program provides funding for expenses such as legal defense costs, claims management, loss prevention expenses, and excess insurance premiums. Excess insurance coverage is held for cyber security, sexual harassment/molestation (SAM), leased and high-value assets, law enforcement liability, public officials' liability, employer practices liability, and crime bond insurance. Expenses for damage to city-owned property, including fleet and equipment, land, buildings, and other assets, are covered under this program. In collaboration with the Solicitor's Office, restitution is sought for losses due to incidents caused by an outside party. This program is responsible for and manages the CDL drug and alcohol testing programs. This program also funds the Emergency Management Coordinator, who collaborates with various parties, both in and outside the City, to manage the City's emergency response and preparations

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### Goal(s):

To protect City assets from loss.  
To offer effective management of Property/Casualty claims.  
To minimize costs related to litigation.  
To prepare the City's emergency response plans.

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### Measurable Budget Year Objectives and Long-Range Targets:

To improve claim monitoring and attempt to reduce cost of claims and claims administration by:

- Effectively managing the City's responsibility for property/casualty claims.
- Inspecting and prioritizing environmental hazards and exposure control in city-owned buildings and property.
- Reducing short- and long-term legal costs by working interdepartmentally to reduce liabilities.
- Monitoring City contracts to ensure they meet insurance liability requirements.
- Working with all City departments, claims Third-Party Administrator (TPA), and the Accident Review Board to effectively manage damages to fleet vehicles resulting from accidents.
- Utilizing Risk Management software to track and analyze auto, internal liability, and external liability claims to help reduce future costs.
- Utilize the EMC to strengthen the City's preparedness for emergency response.
- Managing the CDL and other drug and alcohol testing program as deemed necessary and as required by PA DOT.

**CITY OF ALLENTOWN  
PROGRAM BUDGET**

**081 RISK MANAGEMENT**  
**02 FINANCE**  
**8001 RISK MANAGEMENT**  
**0002 WORKERS COMPENSATION**

<b>Account Number</b>	<b>2021 Budget</b>	<b>2021 Adj. Budget</b>	<b>2021 A&amp;E</b>	<b>2022 Prop. Budget</b>
0002-32 PUBLICATIONS & MEMBERSHIP	3,000	3,000	3,000	3,000
<b>Line Item Detail</b>				
1 National Security Council (NSC); American Society of Safety Professionals (ASSP); Safety and Health Publications; National Institute for Occupational Health & Safety (NIOSH); International Organization for Standardization (ISO); American Industrial Hygiene Association (AIHA)				3,000.00
		Line Items Total		3,000.00
0002-34 TRAINING & PROF. DEVELOP	8,000	8,000	200	8,000
<b>Line Item Detail</b>				
1 OHST Certification, Ergo Training, Risk Assessment Conference				3,000.00
2 Ins, Risk, Safety and WC				3,000.00
3 TPA Training to start bringing items back in house				2,000.00
		Line Items Total		8,000.00
0002-36 INS - PROPERTY & CASUALTY	136,458	136,458	136,458	156,100
<b>Line Item Detail</b>				
1 Excess WC Policy				123,000.00
2 PA State Dept of Labor WC Administrative Fund Fee				33,000.00
3 PA State WC Self Insurance Fee				100.00
		Line Items Total		156,100.00
0002-38 INS - OTHER EMPLOYEE	25,000	25,000	25,000	21,000
<b>Line Item Detail</b>				
1 PA Self-Insurance Guaranty Fund				14,000.00
2 PA State Supersedeas Fee				4,500.00
3 PA Subsequent Injury Fund				2,500.00
		Line Items Total		21,000.00
0002-46 OTHER CONTRACT SERVICES	60,860	60,860	55,000	59,000
<b>Line Item Detail</b>				
1 Workers Comp Claim Handling (TPA)				36,000.00
2 Workers Comp Fee (Broker)				23,000.00
		Line Items Total		59,000.00
0002-72 EQUIPMENT	10,000	10,000	10,000	10,000
<b>Line Item Detail</b>				
1 Safety Item Purchases -- WC Related				10,000.00



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**081      RISK MANAGEMENT**  
**02       FINANCE**  
**8001     RISK MANAGEMENT**  
**0002     WORKERS COMPENSATION**

<b>Account Number</b>	<b>2021 Budget</b>	<b>2021 Adj. Budget</b>	<b>2021 A&amp;E</b>	<b>2022 Prop. Budget</b>
		Line Items Total		10,000.00
0002-80 SELF-INSURED LOSSES	600,000	600,000	600,000	600,000
<b>Line Item Detail</b>				
1 Medical and Indemnity for WC				600,000.00
		Line Items Total		600,000.00
0002-86 GENERAL CITY CHARGES	63,911	63,911	63,911	67,107
<b>Line Item Detail</b>				
1 General City Charges				67,107.00
		Line Items Total		67,107.00
<b>Total    WORKERS COMPENSATION</b>	<b>907,229</b>	<b>907,229</b>	<b>893,569</b>	<b>924,207</b>

## PROGRAM DETAIL

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<b>Bureau:</b> Risk Management	<b>No:</b> 081-02-8001	<b>Department:</b> Finance	<b>Program:</b> Workers' Compensation	<b>Program No:</b> 0002
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### Program Description:

This program includes those safety functions intended to protect the City and its employees against loss and injury. The City has self insured this risk since January 1978. This program includes the elimination of risks through analysis, inspections, incident investigation, employee training, contract review, and all the functions associated with safety management for the City. Payments include medical expenses, indemnity (66 2/3% of pay or 100% of pay for Heart & Lung claims), claims management, loss prevention, and the excess insurance premium. This program also maintains the Worker's Compensation Trust as required by the state for being self-insured.

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### Goal(s):

To reduce exposure to work-related injuries.  
To offer the most effective management of Workers' Compensation claims.  
To ensure employees receive quality care management for treatment under Worker's Compensation claims.  
To ensure supervisors and employees are knowledgeable and accountable for safety performance in carrying out their job duties.  
To improve existing and initiate new safety programs and activities.

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### Measurable Budget Year Objectives and Long-Range Targets:

To improve claim monitoring and attempt to reduce cost of claims and claims administration by:

- Continuing to train supervisors in use of new Industry Safe claims-reporting software for 100% utilization rate by the end of the year.
- Using Risk Management software to analyze claims and better tailor prevention programs.
- Expanding the light-duty program.

To provide a safe and healthful work environment for City employees by:

- Reviewing existing safety programs and implementing new safety programs.
- Ensuring and promoting a strong City safety culture.
- Continuing initiatives through the Centralized Safety Committee, including the annual Safety Day, and monitoring department-specific Safety Committees.

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PROGRAM BUDGET**

**081 RISK MANAGEMENT**  
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**0003 EMPLOYEE HEALTH BENEFITS**

<b>Account Number</b>	<b>2021 Budget</b>	<b>2021 Adj. Budget</b>	<b>2021 A&amp;E</b>	<b>2022 Prop. Budget</b>
0003-37 INS - DENTAL, LIFE, DRUG	22,500,000	22,512,219	20,500,000	22,400,000
<b>Line Item Detail</b>				
1 Medical Claims/Admin Fees (excluding SEIU)				11,138,000.00
2 SEIU Medical Contribution Payments				5,700,000.00
3 Pharmacy/Prescription Plan Payments				3,400,000.00
4 Stop Loss Premium				1,400,000.00
5 Dental Claims/Admin Fees/COBRA Payments				380,000.00
6 Life Insurance Payments				175,000.00
7 Vision Plan Payments				110,000.00
8 ACA Management and Reporting Svcs/Open Enrollment Portal				55,000.00
9 Telemedicine Payments				26,000.00
10 FSA Administration Fees				13,000.00
11 COBRA Notices				3,000.00
		Line Items Total		22,400,000.00
<b>Total EMPLOYEE HEALTH BENEFITS</b>	<b>22,500,000</b>	<b>22,512,219</b>	<b>20,500,000</b>	<b>22,400,000</b>

## PROGRAM DETAIL

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<b>Bureau:</b> Risk Management	<b>No:</b> 081-02-8001	<b>Department:</b> Finance	<b>Program:</b> Employee Health Benefits	<b>Program No:</b> 0003
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### Program Description:

This program centralizes the payment of healthcare costs for active and retired employees eligible and opt-in to available benefits. These include full-time employees and their eligible family members, as well as eligible retirees under age 65. It provides the funding and administration for all City employee related healthcare, disability, and life-insurance benefit programs. Healthcare coverage includes medical, dental, vision, telemedicine, and pharmacy benefits. Healthcare plans and out-of-pocket costs are negotiated in the contracts of union personnel and reviewed on an annual basis for non-union personnel.

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### Goal(s):

To provide smart, available, on-time and cost-effective administration of the employee benefit programs.

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### Measurable Budget Year Objectives and Long-Range Targets:

- Provide funding on a timely basis for payment of all health benefit claims, administrative fees, and insurance premiums.
- Monitor claim's costs closely to ensure the budget is aligned with ongoing forecasted expenses.
- Expand the City's Wellness Program to improve personal health awareness.
- Ensure enrolled family members and retirees are eligible for healthcare coverage through periodic audits.
- Collect active employee and retiree premiums on a timely basis.
- Expand ergonomics awareness to reduce muscular-skeletal injuries.
- Work with our broker, unions, and healthcare providers to evaluate different options for providing cost-effective and quality healthcare.
- Manage Stop Loss excess insurance program.